

COLLECTED WRITINGS OF W. D. GANN

VOLUME 1

COLLECTED MARKETING BROCHURES

INTERVIEWS & ARTICLES

ANNUAL FORECASTS & TRADING RECORDS

BY

WILLIAM D. GANN



COSMOLOGICAL ECONOMICS

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MARKET BROCHURES
INTERVIEWS AND ARTICLES
ANNUAL FORECASTS
TRADING RECORDS
W. D. GANN

This collection of writings contains an assortment of marketing brochures which were used by Gann to market his courses and services, annual forecasts for a year in advance, interviews with Gann and articles about him, and a selection of his trading records. These writings are very enlightening, explaining in clearer words than in his books and courses, Gann's methodology and vision of the markets. There are important clues in these writings to Gann's background research and to the importance and purpose of each of his courses. They also help to draw a personal portrait of the Master himself. Included is a smattering of rare Master Charts to titillate the imagination.

MARKETING BROCHURES

- Science and Stock
- Supply and Demand Letter
- Mathematical Formula for Market Predictions
- How I Forecast Stock, Cotton, and Grain Markets
- Scientific Stock Forecasting or Large Profits on Small Risks
- Satisfied Clients Tell You the Story of My Successful Service
- Investors! Up-To-Date Practical Complete Wall Street Education
- Learn Before You Lose or Why You Lose Money on Stocks and How to Make Profits
- Comparison of Dow Theory and W. D. Gann's Method in Dow Jones Industrial Averages

INTERVIEWS AND ARTICLES

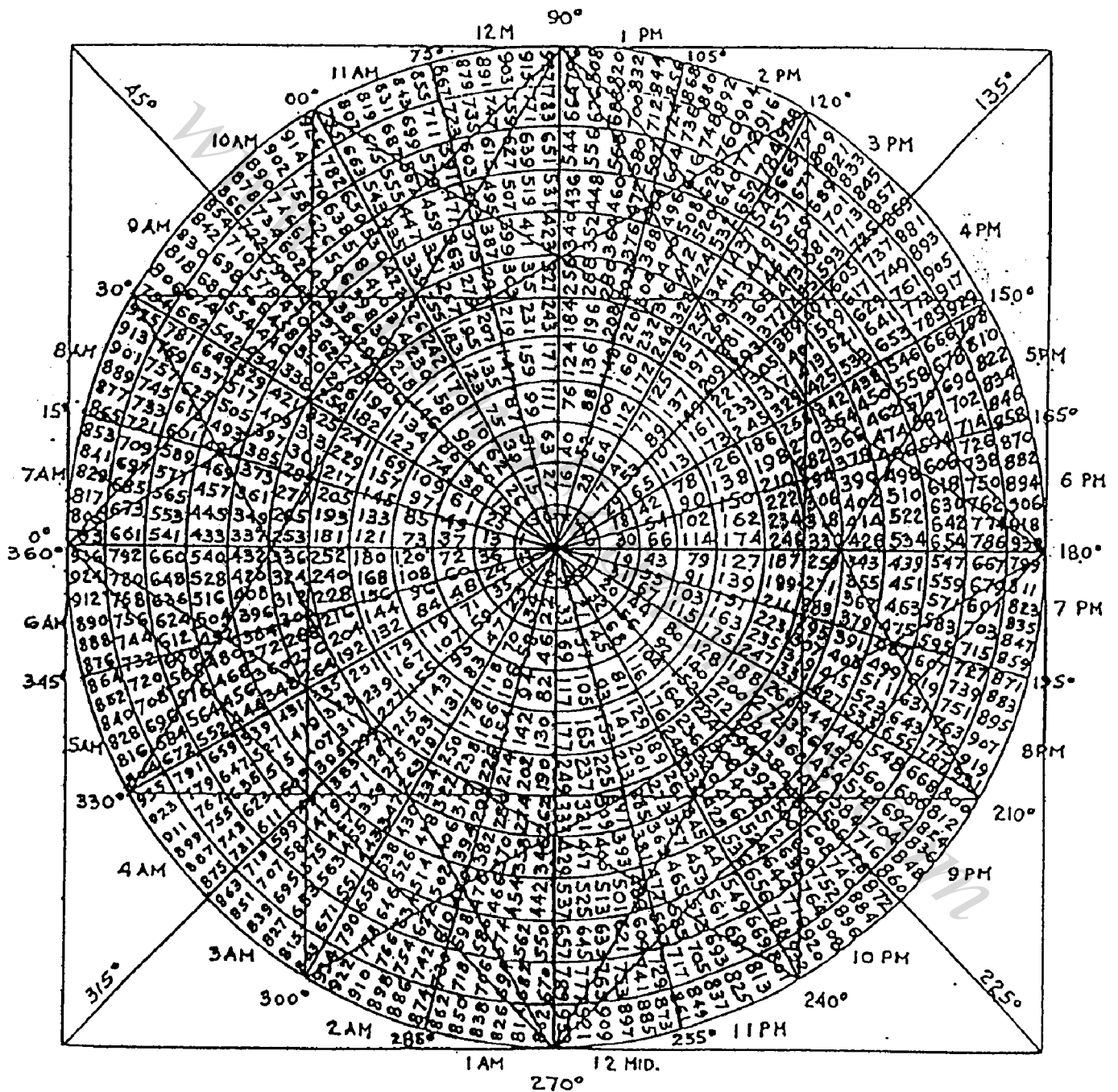
- The Ticker and Investment Digest, 1909
- A Brighter Outlook for the Stock Market and General Business Conditions, 1921
- Gann Foretold Run of Stocks, 1922
- Poor Business, Damaged Crops, Strikes and Bank Failures in 1923 Predicted by Profit.
- Gann to Tour Country by Plane For Broad business Survey, 1933

ANNUAL FORECASTS

- Annual Forecast for 1919
- Annual Forecast for 1920
- Annual Forecast for 1921
- Annual Forecast for 1922
- Annual Forecast for 1929
- Annual Forecast for 1933
- Annual Forecast for 1934
- Annual Forecast for 1935

TRADING RECORDS

- Trading Records for 1933
- Trading Records for 1934
- Trading Records for 1935
- Trading Records for DJIA 1897-1939
- Trading Records for DJIA 1897-1914



SCIENTIFIC STOCK FORECASTING

or

LARGE PROFITS ON SMALL RISKS

"Prove all things and hold fast to that which is good."

The man who guesses and gambles on hope is sure to lose, while the man who follows Science and buys when insiders buy and sells when insiders sell makes profits. The proof of the pudding is in the eating. Time proves all things, even when stocks and commodities make tops and bottoms. With our Master Time Factor we are able to tell long before important events take place when stocks and commodities will reach high or low, because we know by mathematical science when time cycles repeat. These valuable rules are all in the Bible if you know where to find them.

W. D. GANN'S RECORD

We publish the record of W. D. Gann's achievement in Wall Street and what others have said and written about him in order that you may judge for yourself the value of Mr. Gann's Service to you. The Bible says that we should judge the future by the past. W. D. Gann has made a record for accuracy that warrants you in following his advice in the future.

35 Years in Wall Street

W. D. Gann has devoted over 35 years to study and research and has spent over \$300,000 to develop a dependable method based on mathematical science that will determine the trend of stocks and commodities. Let us review his record:

Mr. Gann came to New York in 1908. He has been established in New York for 28 years, doing business under his own name, and has issued Stock Forecasts to the public for 19 years. These Forecasts have proved remarkably accurate and investors and traders have profited by his advice.

In 1909 he forecast the exact day and almost the exact price at which the Dow-Jones railroad and industrial stock averages would sell in the month of August. This record was published in the Ticker Magazine in December, 1909. This magazine and other magazines and newspapers throughout the country commented on Mr. Gann's remarkable forecasts and trading record.

THE TICKER INVESTMENT AND DIGEST

Investment: The placing of capital in a more or less permanent way, mainly for the income to be derived therefrom.

Speculation: Operations wherein intelligent foresight is employed for the purpose of deriving a profit from price changes.

Vol 5

DECEMBER, 1909

No. 2

WILLIAM D. GANN

An Operator Whose Science and Ability Place Him in the Front Rank—
His Remarkable Predictions and Trading Record.

SOMETIME ago the attention of this magazine was attracted by certain long pull stock market predictions which were being made by William D. Gann. In a large number of cases Mr. Gann gave us in advance the exact points at which certain stocks and commodities would sell, together with prices close to the then prevailing figures which would not be touched.

For instance, when New York Central was 131 he predicted that it would sell at 145 before 129.

So repeatedly did his figures prove to be accurate, and so different did his work appear from that of any expert whose methods we had examined, that we set about to investigate Mr. Gann and his way of figuring out these predictions, as well as the particular use which he was making of them in the market.

The results of this investigation are remarkable in many ways.

It appears to be a fact that Mr. Gann has developed an entirely new idea as to the principles governing stock market movements. He bases his operations upon certain natural laws, which, though existing since the world began, have only in recent years been subjected to the will of man, and added to the list of so-called modern discoveries.

We have asked Mr. Gann for an outline of his work and have secured some remarkable evidence as to the results obtained therefrom. We submit this in full recognition of the fact that

in Wall Street a man with a new idea—an idea which violates the traditions and encourages a scientific view of the proposition—is not usually welcomed by the majority, for the reason that he stimulates thought and research. These activities said majority abhors.

Mr. Gann's description of his experience and methods is given herewith. It should be read with a recognition of the established fact that Mr. Gann's predictions have proved correct in a large majority of instances.

"For the past ten years I have devoted my entire time and attention to the speculative markets. Like many others, I lost thousands of dollars and experienced the usual ups and downs incidental to the novice who enters the market without preparatory knowledge of the subject.

"I soon began to realize that all successful men, whether lawyers, doctors, or scientists, devoted years of time to the study and investigation of their particular pursuit or profession before attempting to make any money out of it.

"Being in the brokerage business myself and handling large accounts, I had opportunities seldom afforded the ordinary man for studying the cause of success and failure in the speculations of others. I found that over ninety per cent of the traders who go into the market without knowledge or study usually lose in the end.

"I soon began to note the periodical

recurrence of the rise and fall in stocks and commodities. This led me to conclude that natural law was the basis of market movements. I then decided to devote ten years of my life to the study of natural law as applicable to the speculative markets and to devote my best energies toward making speculation a profitable profession. After exhaustive researches and investigations of the known sciences, I discovered that the Law of Vibration enabled me to accurately determine the exact points to which stocks or commodities should rise and fall within a given time. The working out of this law determines the cause and predicts the effect long before the Street is aware of either. Most speculators can testify to the fact that it is looking at the effect and ignoring the cause that has produced their losses.

"It is impossible here to give an adequate idea of the Law of Vibration as I apply it to the markets, however, the layman may be able to grasp some of the principles when I state that the Law of Vibration is the fundamental law upon which wireless telegraphy, wireless telephones and phonographs are based. Without the existence of this law the above inventions would have been impossible.

"In order to test out the efficiency of my idea I have not only put in years of labor in the regular way, but I spent nine months working night and day in the Astor Library of New York and in the British Museum of London, going over the records of stock transactions as far back as 1820. I have incidentally examined the manipulations of Jay Gould, Daniel Drew, Commodore Vanderbilt and all the other important Wall Street manipulators from that time to the present day. I have examined every quotation of Union Pacific prior to and from the time of E. H. Harriman's securing control, and can say that of all the manipulations in the history of Wall Street, Mr. Harriman's was the most masterly. The figures show that, whether unconsciously or not, Mr. Harriman worked strictly in accordance with natural law.

"In going over the history of markets and the great mass of related statistics, it soon becomes apparent that certain laws govern the changes and variations in the value of stocks and there exists a periodic or cyclic law, which is at the back of all these movements. Observation has shown that

there are regular periods of intense activity on the Exchange followed by periods of inactivity. Mr. Henry Hall, in his recent book devoted much space to 'Cycles of Prosperity and Depression' which he found recurring at regular intervals of time. The law which I have applied will not only give these long cycles or swings, but the daily and even hourly movements of stocks. By knowing the exact vibration of each individual stock I am able to determine at what point each will receive support and at what point the greatest resistance is to be met.

"Those in close touch with the markets have noticed the phenomena of ebb and flow, or rise and fall in the value of stocks. At certain times a stock will become intensely active, large transactions being made in it; at other times this same stock will become practically stationary or inactive with a very small volume of sales. I have found that the Law of Vibration governs and controls these conditions. I have also found that certain phases of this law govern the rise in a stock and an entirely different rule operates on the decline.

"While Union Pacific and other railroad stocks which made their high prices in August were declining, United States Steel common was steadily advancing. The Law of Vibration was at work, sending a particular stock on the upward trend, whilst others were trending downward.

"I have found that in the stock itself exists its harmonic or inharmonic relationship to the driving power or force behind it. The secret of all its activity is therefore apparent. By my method I can determine the vibration of each stock and by also taking certain time values into consideration I can in the majority of cases tell exactly what the stock will do under given conditions.

"The power to determine the trend of the market is due to my knowledge of the characteristics of each individual stock and a certain grouping of different stocks under their proper rates of vibration. Stocks are like electrons, atoms, and molecules, which hold persistently to their own individuality in response to the fundamental Law of Vibration. Science teaches 'that an original impulse of any kind finally resolves itself into periodic or rhythmical motion,' also 'just as the pendulum returns again in its swing, just as the moon returns in its

orbit, just as the advancing year ever brings the rose of spring, so do the properties of the elements periodically recur as the weight of the atoms rises.'

"From my extensive investigations, studies and applied tests, I find that not only do the various stocks vibrate, but that the driving forces controlling the stocks are also in a state of vibration. These vibratory forces can only be known by the movements they generate on the stocks and their values in the market. Since all great swings or movements of the market are cyclic they act in accordance with the periodic law.

"Science has laid down the principle that 'the properties of an element are a periodic function of its atomic weight.' A famous scientist has stated that 'we are brought to the conviction that diversity in phenomenal nature in its different kingdoms, is most intimately associated with numerical relationship. The numbers are not intermixed, chaotically and accidentally, but are subject to regular periodicity. The changes and developments are also seen to be in many cases undulatory.'

"Thus, I affirm, every class of phenomena, whether in nature or in the stock market, must be subject to the universal law of causation and harmony. Every effect must have an adequate cause.

"If we wish to avert failure in speculation we must deal with causes. Everything in existence is based on exact proportion and perfect relationship. There is no chance in nature, because mathematical principles of the highest order lie at the foundation of all things. Faraday said: 'There is nothing in the Universe but mathematical points of force.'

"Vibration is fundamental; nothing is exempt from this law; it is universal, therefore applicable to every class of phenomena on the globe.

"Through the Law of Vibration every stock in the market moves in its own distinctive sphere of activities, as to intensity, volume and direction; all the essential qualities of its evolution are characterized in its own rate of vibration. Stocks, like atoms, are really centers of energies, therefore they are controlled mathematically. Stocks create their own field of action and power; power to attract and repel, which principle explains why certain stocks at times lead the market and

'turn dead' at other times. Thus to speculate scientifically it is absolutely necessary to follow natural law.

"After years of patient study I have proven to my entire satisfaction as well as demonstrated to others that vibration explains every possible phase and condition of the market."

In order to substantiate Mr. Gann's claims as to what he has been able to do under this method, we called upon Mr. William E. Gilley, an Inspector of Imports, 16 Beaver street, New York. Mr. Gilley is well-known in the down-town district. He himself has studied stock market movements for twenty-five years, during which time he has examined every piece of market literature that has been issued and procurable in Wall Street. It was he who encouraged Mr. Gann to study out the scientific and mathematical possibilities of the subject. When asked what had been the most impressive of Mr. Gann's work and predictions, he replied as follows:

"It is very difficult for me to remember all the predictions and operations of Mr. Gann which may be classed as phenomenal, but the following are a few: In 1908 when Union Pacific was 168 $\frac{1}{8}$ he told me that it would not touch 169 before it had a good break. We sold it short all the way down to 152 $\frac{3}{8}$, covering on the weak spots and putting it out again on the rallies, securing twenty-three points profit out of an eighteen-point move.

"He came to me when United States Steel was selling around 50 and said 'This Steel will run up to 58 but it will not sell at 59. From there it should break 16 $\frac{3}{4}$ points. We sold it short around 58 $\frac{3}{8}$ with a stop at 59. The highest it went was 58 $\frac{3}{4}$. From there it declined to 41 $\frac{1}{4}$ —17 $\frac{1}{2}$ points.

"At another time wheat was selling at about 89c. He predicted that the May option would sell at \$1.35. We bought it and made large profits on the way up. It actually touched \$1.35 $\frac{1}{2}$.

"When Union Pacific was 172, he said it would go to 184 $\frac{7}{8}$ but not an eighth higher until it had had a good break. It went to 184 $\frac{7}{8}$ and came back from there eight or nine times. We sold it short repeatedly with a stop at 185 and were never caught. It eventually came back to 172 $\frac{1}{2}$.

"Mr. Gann's calculations are based on natural law. I have followed his work closely for years. I know that

he has a firm grasp of the basic principles which govern stock market movements, and I do not believe any other man on earth can duplicate the idea or his method at the present time.

"Early this year he figured that the top of the advance would fall on a certain day in August and calculated the prices at which the Dow-Jones averages would then stand. The market culminated on the exact day and within four-tenths of one per cent. of the figures predicted."

"You and Mr. Gann must have cleaned up considerable money on all these operations," was suggested.

"Yes, we have made a great deal of money. He has taken half a million dollars out of the market in the past few years. I once saw him take \$130, and in less than one month run it up to cover \$12,000. He can compound money faster than any man I ever met."

"One of the most astonishing calculations made by Mr. Gann was during last summer (1909) when he predicted that September wheat would sell at \$1.20. This meant that it must touch that figure before the end of the month of September. At twelve o'clock, Chicago time, on September 30th (the last day) the option was selling below \$1.08, and it looked as though his prediction would not be fulfilled. Mr. Gann said 'If it does not touch \$1.20 by the close of the market it will prove that there is something wrong with my whole method of calculation. I do not care what the price is now, it must go there.' It is common history that September wheat surprised the whole country by selling at \$1.20 and no higher in the very last hour of the trading, closing at that figure.

So much for what Mr. Gann has said and done as evidenced by himself and others. Now as to what demonstrations have taken place before our representative:

During the month of October, 1909, in twenty-five market days, Mr. Gann made, in the presence of our representative, two hundred and eighty-six transactions in various stocks, on both the long and short side of the market. Two hundred and sixty-four of these transactions resulted in profits; twenty-two in losses.

The capital with which he operated was doubled ten times, so that at the end of the month he had one thousand per cent. of his original margin.

In our presence Mr. Gann sold Steel common short at $94\frac{7}{8}$, saying that it would not go to 95. It did not.

On a drive which occurred during the week ending October 29th, Mr. Gann bought Steel common at $86\frac{1}{4}$, saying that it would not go to 86. The lowest it sold was $86\frac{1}{8}$.

We have seen him give in one day sixteen successive orders in the same stock, eight of which turned out to be either the top or the bottom eighth of that particular swing. The above we can positively verify.

Such performances as these, coupled with the foregoing, are probably unparalleled in the history of the Street.

James R. Keene has said, "The man who is right six times out of ten will make his fortune." Here is a trader, who, without any attempt to make a showing (for he did not know the results were to be published), establishes a record of over ninety-two per cent profitable trades.

Mr. Gann has refused to disclose his method at any price, but to those scientifically inclined he has unquestionably added to the stock of Wall Street knowledge and pointed out infinite possibilities.

We have requested Mr. Gann to figure out for the readers of *The Ticker* a few of the most striking indications which appear in his calculations. In presenting these we wish it understood that no man, in or out of Wall Street, is infallible.

Mr. Gann's figures at present indicate that the trend of the stock market should, barring the usual rallies, be toward lower prices until March or April, 1910.

He calculates that May wheat, which is now selling at \$1.02, should not sell below 99c. and should sell at \$1.45 next spring.

On cotton, which is now at about the 15c. level, he estimates that, after a good reaction from these prices, the commodity should reach 18c. in the spring of 1910. He looks for a corner in the March or May option.

Whether these figures prove correct or not, will in no sense detract from the record which Mr. Gann has already established.

Mr. Gann was born in Lufkin, Texas, and is thirty-one years of age. He is a gifted mathematician, has an extraordinary memory for figures, and is an expert Tape Reader. Take away his science and he would beat the

market on his intuitive tape reading alone.

Endowed as he is with such qualities, we have no hesitation in predicting that within a comparatively few years Wm. D. Gann will receive full recognition as one of Wall Street's leading operators.

R. D. W.

Note—Since the above forecast was made, Cotton has suffered the expected decline, the extreme break having been 120 points. The lowest on May wheat thus far has been \$1.01 $\frac{3}{8}$. It is now selling at \$1.06 $\frac{1}{4}$.

In 1912 Mr. Gann forecast the election of Woodrow Wilson and has been correct in forecasting the election of every President since that time. Many of these forecasts have been published in newspapers throughout the country.

In the spring of 1918 Mr. Gann forecast the end of the World War. This forecast was sent out to newspapers throughout the country, and in January, 1919, the New York Herald and other papers gave Mr. Gann credit for forecasting the end of the war and the Kaiser's abdication.

In his 1919 Annual Stock Forecast, issued late in 1918, he forecast a big bull market for 1919 and especially referred to a boom in oil stocks.

His Stock Forecasts for 1920 and 1921 indicated a bear market with sharp declines. The 1921 Forecast called the exact date for bottom on stocks in August, 1921.

In 1923 Mr. Gann wrote "Truth of the Stock Tape" and forecast a big advance in chemical and airplane stocks, which followed during the Coolidge bull campaign. This book has been reviewed by newspapers and magazines throughout the country and favorably commented on by college professors, business men, investors and traders, all of whom agree that it is the best book ever written on the subject.

His Stock Forecasts for 1924 and 1925 outlined the bull market which followed.

In the spring of 1927, Mr. Gann wrote "The Tunnel Thru the Air, or Looking back From 1940," which contained many remarkable forecasts in regard to stocks and commodities and world events which have been fulfilled. In this book Mr. Gann said that from 1929 to 1932 there would be the worst panic in the world's history. Writing under date of "October 3, 1931" on page 323, he said, "The New York Stock Exchange closed to prevent complete panic because the people were panic-stricken and selling stocks regardless of price." It is a matter of history that the New York Stock Exchange did consider closing on October 3 to 5, but decided to stop short selling. The low of that panicky decline was reached on October 5 and a rally of 33 points in industrial stock averages followed to November 9, 1931.

His 1929 Stock Forecast, issued on November 23, 1928, and based on his Master Time Factor, indicated the end of the bull market in August and early September, 1929. He stated in no uncertain terms that the panic would start in September, 1929, and that it would be a great deluge with a Black Friday. We quote from the Forecast:

"AUGUST—A few of the late movers will advance this month and reach final high. * * * Unfavorable news will develop which will start declines and the long bull campaign will come to a sudden end. Money rates will be high and final top will be reached for a big bear campaign. Stand from under! Don't get caught in the great deluge! Remember it is too late to sell when everyone is trying to sell. * * *

"SEPTEMBER—One of the sharpest declines of the year is indicated. There will be loss of confidence by investors, and the public will try to get out after it is too late. Storms will damage crops and the general business outlook will become cloudy. War news will upset the market and unfavorable developments

in foreign countries. A 'Black Friday' is indicated and a panicky decline in stocks with only small rallies. The short side will prove the most profitable. You should sell short and pyramid on the way down."

In the spring of 1930, Mr. Gann wrote "Wall Street Stock Selector," which was published in June, 1930. In this book he had a chapter headed, "Investors' Panic," which described conditions just as they occurred during 1931, 1932 and 1933. We quote from the book, pages 203-04:

"The coming investors' panic will be the greatest in history, because there are at least 15 to 25 million investors in the United States who hold stocks in the leading corporations, and when once they get scared, which they will after years of decline, then the selling will be so terrific that no buying power can withstand it. Stocks are so well distributed in the hands of the public that since the 1929 panic many people think that the market is panic-proof, but this seeming strength is really the weakest feature of the market. * * *

"Love of money has been the cause of all financial troubles and depressions in the past, and the coming panic will be the greatest the world has ever known, because there is more money in the United States than ever before, therefore more to fight for."

Thousands of people have bought this book and profited by reading and studying it. The book has been favorably commented on by such papers as The Financial Times of London, England, Wall Street Journal, New York Daily Investment News, Coast Investor, and many other newspapers and magazines throughout the world.

On February 10, 1932, Mr. Gann said that stocks were bottom for a big rally. His 1932 Stock Forecast, issued October 21, 1931, called March 8 for last top for another big decline. During the latter part of June, 1932, and early July he strongly advised buying stocks, stating that final bottom had been reached, as shown by his market letter issued July 8, the day that most stocks reached final bottom. We quote from page 6 of the 1932 Forecast:

"The latter part of June, July, August and September are the most active and bullish months of the year, when sharp advances will be recorded. First extreme high is indicated around September 20 to 21, when stocks should make extreme high for the year. Then follows a decline, reaching bottom around October 4 to 5."

Between July 8 and September 8 many stocks advanced 20 to 60 points. The market reached high of a secondary rally on September 23, from which a big decline followed, making low in the latter part of November and early December, as indicated in the Forecast.

On March 1, 1933, by the use of his Master Time Factor Mr. Gann forecast bottom for stocks and commodities and advised buying for a big advance, as shown by the market letters issued March 1 and 3 given below. This is another proof of the great value of Mr. Gann's discovery of a Master Time Factor.

MARKET LETTERS AT A CRITICAL TIME

STOCK LETTER

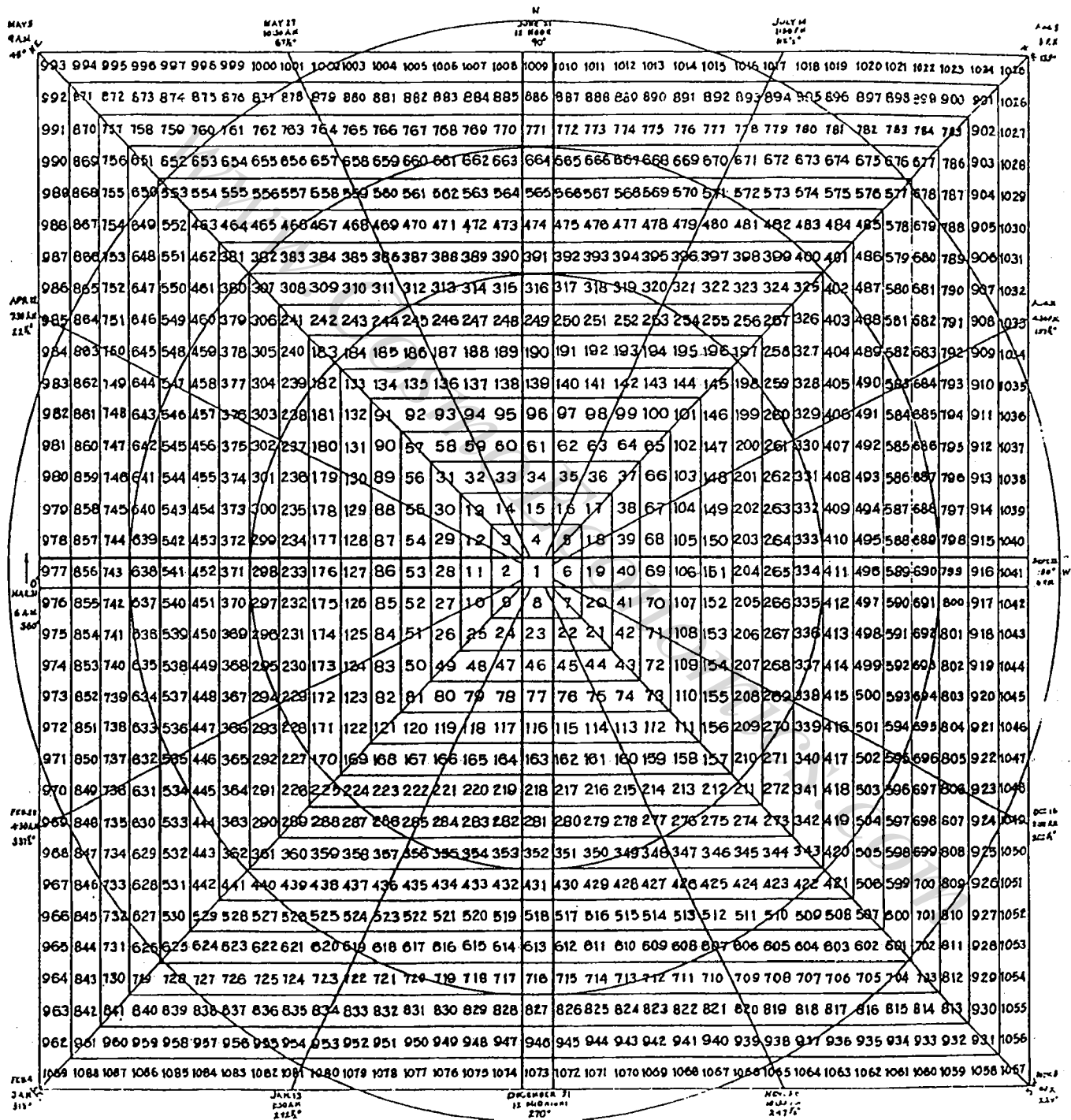
Advice for Thursday and Friday's Markets

March 1, 1933.

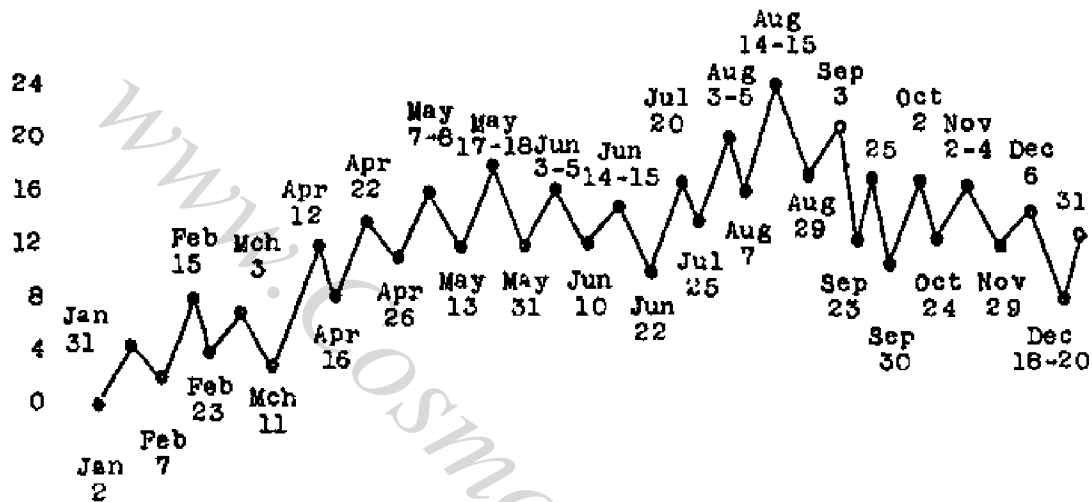
The stock market received good support on Tuesday despite unfavorable news of bank failures and bank holidays. Today there were more bank holidays and suspension of payment

of deposits, but the market gave a wonderful demonstration of strength, rallying several points and closing at the top of the day.

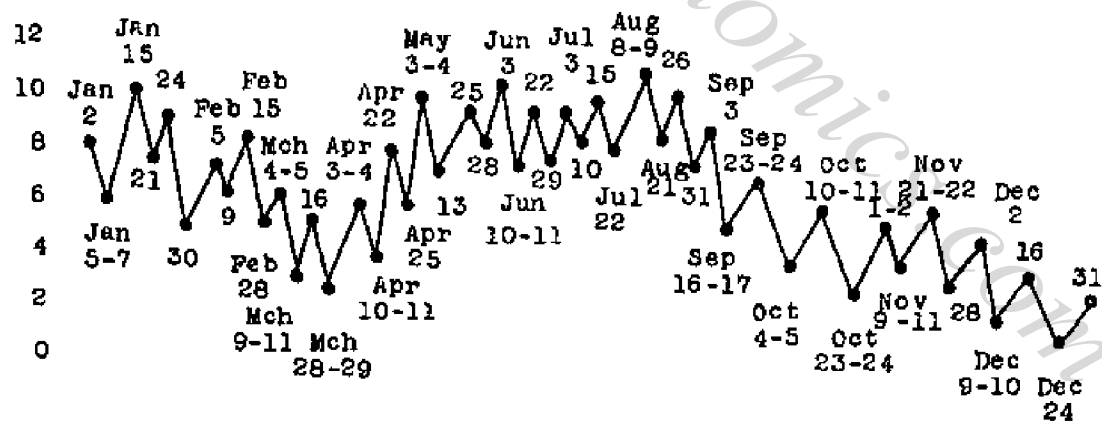
The bad news is out and the market has been discounting it since the middle of January. It is the old, old story: When news is out and everybody knows it, it is too late to act on it. It always pays to buy when



Projected Curve #2 which Industrial Stocks in strong position should follow:-



Projected Curve which Railroad Stocks should follow:-



LEARN BEFORE YOU LOSE

OR

WHY YOU HAVE LOST MONEY IN STOCKS

AND HOW TO MAKE IT BACK

Why do the great majority of people who buy and sell stocks lose?

There are three main reasons:

1. They over-trade or buy and sell too much for their capital.
2. They do not place stop loss orders or limit their losses.
3. Lack of Knowledge. This is the most important reason of all.

Most people buy a stock because they hope it will go up and they will make profits. They buy on tips, or what someone else thinks, without any concrete knowledge of their own that the stock will advance. Thus they entered the market wrong and did not recognize this mistake or attempt to correct it until too late. Finally they sell because they fear the stock will go lower and often they sell out near low levels, getting out at the wrong time, making two mistakes, getting in the market at the wrong time and getting out at the wrong time. One mistake could have been prevented, they could have gotten out right after getting in wrong. They do not realize that operating in Stocks and Commodities is a business or a profession, the same as engineering or the medical profession.

Why You Should Learn to Determine the Trend of the Market

You may have tried to follow market letters and like many others either lost money or failed to make profits, because the market letters gave a list of too many stocks to buy or sell and you picked the wrong one and lost. A smart man cannot follow another man blindly even though the other man is right, because you cannot have confidence and act on advice when you do not know what it is based on. You will be able to act with confidence and make profits when you can SEE and KNOW for YOURSELF why STOCKS should go UP or DOWN. That is why you should take a Course of Instructions and prepare yourself to act independent of the advice of others.

Why I Teach My Methods

Long years in practical market trading and experience in teaching others has taught me what others need for success in speculation. They must learn a rule and how to apply it before they take up the second lesson or set of Rules. When you first went to school you had to learn your A, B, Cs before you could read and when you started to study arithmetic you had to learn the four fundamental rules, addition, multiplication, division and subtraction.

Then you were prepared to take up higher mathematics, algebra and geometry.

My Course or Lessons starts you in the same way, leading you step by step and adding more rules when you are ready and can understand them.

I have made a success in Wall Street and have all the income that I need, this fact can be proven by the records. I find real pleasure in helping others who are trying to help themselves. Money is not everything in life, when I teach a young man or woman how to protect and preserve their capital I am giving them valuable knowledge that they cannot lose, and no one can steal it or take it from them.

You should never buy a method from a man who has not made money with it.

W. D. GANN

THIRTY-ONE YEARS IN WALL STREET

The Founder and president of W. D. Gann & Son, Inc. has devoted 35 years exclusively to the study of stock and commodity markets and has spent over \$300,000.00 developing a worthwhile, practical method of Stock Forecasting.

During the past 31 years W. D. Gann has been in business for himself and under his own name in New York City. He is a member of the Commodity Exchange, Inc. of New York, New Orleans Cotton Exchange and is a Christian and a member of the Masonic fraternity.

The Record of Forecasts— Highlights through the years

1909—W. D. Gann's record as a forecaster dates back 30 years. We reprint part of an article written by the late Richard D. Wyckoff and published in the Ticker Magazine. This article is dated December 1909 and attests to Mr. Gann's remarkable ability as a forecaster over 30 years ago.

WILLIAM D. GANN

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"After years of patient study I have proven to my entire satisfaction as well as demonstrated to others that vibration explains every possible phase and condition of the market."

In order to substantiate Mr. Gann's claims as to what he has been able to do under this method, we called upon Mr. William E. Gilley, an Inspector of Imports, 16 Beaver Street, New York. Mr. Gilley is well-known in the down-town district. He himself has studied stock market movements for twenty-five years, during which time he has examined every piece of market literature that has been issued and procurable in Wall Street. It was he who encouraged Mr. Gann to study out the scientific and mathematical possibilities of the subject. When asked what had been the most impressive of Mr. Gann's work and predictions, he replied as follows:

"It is very difficult for me to remember all the predictions and operations of Mr. Gann which may be classed as phenomenal, but the following are a few: In 1908 when Union Pacific was 168 $\frac{1}{8}$ he told me that it would not touch 169 before it had a good break. We sold it short all the way down to 152 $\frac{3}{8}$, covering on the weak spots and putting it out again on the rallies, securing twenty-three points profit out of an eighteen-point move.

"He came to me when United States Steel was selling around 50 and said 'This Steel will run up to 58 but it will not sell at 59. From there it should break 16 $\frac{3}{4}$

points. We sold it short around 58 $\frac{3}{8}$ with a stop at 59. The highest it went was 58 $\frac{3}{4}$. From there it declined to 41 $\frac{1}{4}$ —17 $\frac{1}{2}$ points.

"At another time wheat was selling at about 89c. He predicted that the May option would sell at \$1.35. We bought it and made large profits on the way up. It actually touched \$1.35 $\frac{1}{2}$.

"When Union Pacific was 172, he said it would go to 184 $\frac{7}{8}$ but not an eighth higher until it had had a good break. It went to 184 $\frac{7}{8}$ and came back from there eight or nine times. We sold it short repeatedly with a stop at 185 and were never caught. It eventually came back to 172 $\frac{1}{2}$.

"Mr. Gann's calculations are based on natural law. I have followed his work closely for years. I know that he has a firm grasp of the basic principles which govern stock market movements, and I do not believe any other man on earth can duplicate the idea or his method at the present time.

"Early this year he figured that the top of the advance would fall on a certain day in August and calculated the prices at which the Dow-Jones averages would then stand. The market culminated on the exact day and within four-tenths of one per cent. of the figures predicted."

"You and Mr. Gann must have cleaned up considerable money on all these operations," was suggested.

"Yes, we have made a great deal of money. He has taken half a million dollars out of the market in the past few years. I once saw him take \$130, and in less than one month run it up to cover \$12,000. He can compound money faster than any man I ever met."

"One of the most astonishing calculations made by Mr. Gann was during last summer (1909) when he predicted that September wheat would sell at \$1.20. This meant that it must touch that figure before the end of the month of September. At twelve o'clock, Chicago time, on September 30th (the last day) the option was selling below \$1.08, and it looked as though his prediction would not be fulfilled. Mr. Gann said 'If it does not touch \$1.20 by the close of the market it will prove that there is something wrong with my whole method of calculation. I do not care what the price is now, it must go there.' It is common history that September wheat surprised the whole country by selling at \$1.20 and no higher in the very last hour of the trading, closing at that figure,

So much for what Mr. Gann has said and done as evidenced by himself and others. Now as to what demonstrations have taken place before our representative:

During the month of October, 1909, in twenty-five market days, Mr. Gann made, in the presence of our representative, two hundred and eighty-six transactions in various stocks, on both the long and short side of the market. Two hundred and sixty-four of these transactions resulted in profits; twenty-two in losses.

The capital with which he operated was doubled ten times, so that at the end of the month he had one thousand per cent. of his original margin.

In our presence Mr. Gann sold Steel common short at $94\frac{7}{8}$, saying that it would not go to 95. It did not.

On a drive which occurred during the week ending October 29th, Mr. Gann bought Steel common at $86\frac{1}{4}$, saying that it would not go to 86. The lowest it sold was $86\frac{1}{8}$.

We have seen him give in one day sixteen successive orders in the same stock, eight of which turned out to be either the top or the bottom eighth of that particular swing. The above we can positively verify.

Such performances as these, coupled with the foregoing, are probably unparalleled in the history of the Street.

James R. Keene has said, "The man who is right six times out of ten will make his fortune." Here is a trader, who, without any attempt to make a showing (for he did not know the results were to be published), establishes a record of over ninety-two per cent profitable trades.

Mr. Gann has refused to disclose his method at any price, but to those scientifically inclined he has unquestionably added to the stock of Wall Street knowledge and pointed out infinite possibilities.

We have requested Mr. Gann to figure out for the readers of The Ticker a few of the most striking indications which appear in his calculations. In presenting these we wish it understood that no man, in or out of Wall Street, is infallible.

Mr. Gann's figures at present indicate that the trend of the stock market should, barring the usual rallies, be toward lower prices until March or April, 1910.

He calculates that May wheat, which is now selling at \$1.02, should not sell below 99c. and should sell at \$1.45 next spring.

On cotton, which is now at about the 15c. level, he estimates that, after a good reaction from these prices, the commodity should reach 18c. in the spring of 1910. He looks for a corner in the March or May option.

Whether these figures prove correct or not, will in no sense detract from the record which Mr. Gann has already established.

Mr. Gann was born in Lufkin, Texas, and is thirty-one years of age. He is a gifted mathematician, has an extraordinary memory for figures, and is an expert Tape Reader. Take away his science and he would beat the market on his intuitive tape reading alone.

Endowed as he is with such qualities, we have no hesitation in predicting that within a comparatively few years Wm. D. Gann will receive full recognition as one of Wall Street's leading operators.

R. D. W.

Note—Since the above forecast was made, Cotton has suffered the expected decline, the extreme break having been 120 points. The lowest on May wheat thus far has been $\$1.01\frac{5}{8}$. It is now selling at $1.06\frac{1}{4}$.

In 1912 Mr. Gann forecast the election of Woodrow Wilson and has been correct in forecasting the election of every President since that time. Many of these forecasts have been published in newspapers throughout the country.

In the spring of 1918 Mr. Gann forecast the end of the World War. This forecast was sent out to newspapers throughout the country, and in January, 1919, the New York Herald and other papers gave Mr. Gann credit for forecasting the end of the war and the Kaiser's abdication.

In his 1919 Annual Stock Forecast, issued late in 1918, he forecast a big bull market for 1919 and especially referred to a boom in oil stocks.

1929 ANNUAL STOCK FORECAST

